where Z is benzyloxycarbonyl, -NHO- is hydroxylamine linkage, and Bz is benzoyl).

- 29. (New) The method of claim 28, wherein the cell is a cancer cell.
- 30. (New) The method of claim 29, wherein the cancer is a solid tumor.
- 31. (New) The method of claim 29, wherein the cancer is prostate cancer.
- 32. (New) The method of claim 29, wherein the cancer is breast cancer.
- 33. (New) The method of claim 29, wherein the cancer is a brain tumor.
- 34. (New) The method of claim 29, wherein the cancer is leukemia.
- 35. (New) The method of claim 28, wherein cytoxicity results from apoptosis.
- 36. (New) The method of claim 35, wherein the cathepsin inhibitor is administered by expressing a heterologous nucleic acid sequence encoding CATI-1 (Z-Phe-Gly-NHO-Bz; where Z is benzyloxycarbonyl, -NHO- is hydroxylamine linkage, and Bz is benzoyl) in the cell; wherein the cell has enhanced cathepsin activity as compared to control host cells.
- 37. (New) A method for inhibiting inflammatory disease states in a subject comprising administering to the subject a cathepsin inhibitor.
- 38. (New) The method of claim 37, wherein the cathepsin inhibitor is CATI-1 (Z-Phe-Gly-NHO-Bz; where Z is benzyloxycarbonyl, -NHO- is hydroxylamine linkage, and Bz is benzoyl).
- 39. (New) The method of claim 37, wherein the inflammatory disease is rheumatoid arthritis.

40. (New) The method of claim 37, wherein the inflammatory disease is osteoarthritis.